including tribal areas and these branches are providing loans to Scheduled Tribes and Scheduled Castes.

A-1 city status to Hyderabad

4630. SHRI RAMACHANDRAIAH RUMANDLA: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to grant A-1 city status to Hyderabad as requested by the Andhra Pradesh Government;

(b) if so, by when the decision is likely to be taken; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) No, Sir.

(c) Hyderabad city does not fulfil the criteria of population of 50 lakhs based on 1991 census which is the criterion laid down by the 5th Central Pay Commission and accepted by the Government to classify a city as A-1.

Revenue loss due to excise exemption

4631. SHRI SHIBU SOREN: Will the Minister of FINANCE be pleased to state:

(a) whether Government are suffering huge revenue loss due to the full excise exemption granted to industrial units manufacturing cigarettes, paan masala and tobacco for ten years in the states of Assam, Meghalaya, Nagaland, Tripura, Arunachal Pradesh, Mizoram and Manipur;

(b) if so, the details thereof;

(c) whether Government are aware that it will also lead to the growth of "Letter Pad Companies" in these states;

(d) if so, what action has been/is being taken by Government to check it; and

(e) the details of the reasons and criterion for granting such exemption to certain states?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR): (a) No, Sir. Grant of exemption of excise duty is a policy decision.

(b) During the period 8th July, 1999 to 31st March, 2000, an amount of Rs. 25.33 crore of excise duty has been refunded to the units manufacturing cigarettes, paan masala and tobacco in the North-Eastern States.

(c) The units which have come up so far, availing of the benefit of the full excise exemption granted to industries in the North-East are engaged in manufacturing activities within the meaning of the Central Excise Act and no irregularity has been noticed.

(d) Does not arise in view of (c) above.

(e) Exemption from excise duty has been provided to all goods manufactured and cleared by new industrial units in specified growth centres, Industrial Infrastructure Development Centres, Export Promotion Parks etc. in the State of Assam, Tripura and Meghalaya. A similar exemption is available in respect of specified goods manufactured and cleared by new industrial units located in any of the North-Eastern States. These exemptions are expected to accelerate the industrial development of these areas.

Assistance to UCO, Indian Bank and United Bank

†4632. SHRI SHIBU SOREN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that United Commercial Bank, Indian Bank and United Bank are running in heavy loss;

(b) if so, the details thereof, bank-wise;

(c) whether Government are contemplating to provide Rs. 5500 crores to salvage these banks;

(d) if so, the reasons therefor; and

(e) whether Government are of the view that disinvestment is a way out to do away with these losses?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

†Original notice of the Question was received in Hindi.